

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of

Edith Susie Beavers

MUR 4818

GENERAL COUNSEL'S REPORT #17

I. ACTION RECOMMENDED

Approve suit authority to enforce the conciliation agreement signed by Edith Susie Beavers.

II. ANALYSIS

MUR 4818 arose from a complaint alleging that Walt Roberts and Walt Roberts for Congress ("the Committee") knowingly and willfully violated 2 U.S.C. § 441a(f) by accepting prohibited contributions. An investigation revealed that Gene Stipe devised multiple schemes to contribute funds to the Committee while hiding himself as the true source of the contributions. In June 2004, the Federal Election Commission ("Commission") closed the file in MUR 4818 and made the matter public. This matter resulted in an aggregate of \$569,500 in civil penalties.

One respondent, Edith Susie Beavers, has not paid her civil penalty of \$13,500.¹ The conciliation agreement required that Ms. Beavers pay a \$13,500 civil penalty for a knowing and willful violation of 2 U.S.C. § 441f. The agreement provided Ms. Beavers ninety days to pay the penalty instead of the usual thirty days because her marital estate was under a protective court order until divorce proceedings were concluded. Her agreement was effective June 29, 2004,

¹ All other respondents in this matter have paid their civil penalties in full. To date, the Commission has received \$556,000 in civil penalties in this matter.

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1 making her civil penalty due on September 27, 2004. The closing-letter addressed to Ms.
2 Beavers' attorney informed her that her civil penalty payment was due in ninety days pursuant to
3 the conciliation agreement. Despite numerous telephonic efforts and two letters, no penalty
4 payment has been forthcoming. See Attachments 1 & 2.

5 This Office requests that the Commission approve suit authority to enforce the
6 conciliation agreement signed by Edith Susie Beavers (the agreement is appended as Attachment
7 3 to this Report). The conciliation agreement provides that "[i]f the Commission believes that
8 this agreement or any requirement thereof has been violated, it may institute a civil action for
9 relief in the United States District Court for the District of Columbia." Conciliation Agreement
10 at 5, ¶ VII. Since Ms. Beavers has not paid her civil penalty and the ninety-day deadline for
11 compliance with the conciliation agreement has passed, the agreement has been violated.

12 **III. RECOMMENDATION**

13 Approve suit authority to enforce the conciliation agreement signed by Edith Susie
14 Beavers in MUR 4818.

15
16 Lawrence H. Norton
17 General Counsel
18

19
20 1/28/05
21 Date

22 BY: Rhonda J. Vosdigh
23 Rhonda J. Vosdigh
24 Associate General Counsel
25 for Enforcement

26 Jonathan A. Bernstein
27 Jonathan A. Bernstein
28 Assistant General Counsel
29

30 Margaret J. Toalson
31 Margaret J. Toalson
32 Attorney
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34

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Attachments:

1. Nov. 2, 2004 correspondence to Ms. Beavers' attorney
2. Dec. 22, 2004 correspondence to Ms. Beavers' attorney
3. Conciliation Agreement with Edith Susie Beavers effective June 29, 2004

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FEDERAL ELECTION COMMISSION

WASHINGTON, D C 20463

November 2, 2004

BY FACSIMILE (405) 272-9859 AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John W. Coyle, Esquire
Coyle McCoy & Burton
119 N. Robinson, Suite 320
Oklahoma City, OK 73102

RE: MUR 4818
Edith Susie Beavers

Dear Mr. Coyle:

I attempted to contact you last week regarding your client, Edith Susie Beavers. I left a message with Dee, your administrative assistant on Thursday, October 28, 2004, and asked that you call me back. Unfortunately, I have not yet heard back from you, and am therefore following up with this correspondence.

On June 29, 2004, the Federal Election Commission and your client entered into a conciliation agreement in settlement of a violation of 2 U.S.C. § 441f. According to the agreement, your client was required to pay a civil penalty in the amount of \$13,500. The conciliation agreement provided for full payment within 90 days of the effective date of the agreement.

According to Commission records, your client's payment has not been received. Please be advised that, pursuant to 2 U.S.C. § 437g(a)(5)(D), violation of any provision of the conciliation agreement may result in the institution of a civil suit for relief in the United States District Court. Therefore, your client's payment should be sent immediately.

If you believe the Commission's records are in error, or if you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in cursive script that reads "Margaret J. Toalson".

Margaret J. Toalson
Attorney

Attachment 1
Page 1 of 2

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SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>1. Article Addressed to:</p> <p style="text-align: center;">M 48/8</p> <p>John W. Coyle, Esquire Coyle McCoy & Burton 119 N Robinson, Suite 320 Oklahoma City, OK 73102</p>		<p>2. Article Number (Transfer from service label)</p>	
PS Form 3811, February 2004		Domestic Return Receipt	



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

BY FACSIMILE (405) 272-9859 AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John W. Coyle, Esquire
Coyle McCoy & Burton
119 N. Robinson, Suite 320
Oklahoma City, OK 73102

DEC 2 2 2004

RE: MUR 4818
Edith Susie Beavers

Dear Mr. Coyle:

On June 29, 2004, the Federal Election Commission and your client, Edith Susie Beavers, entered into a conciliation agreement in settlement of a violation of 2 U.S.C. § 441f. According to the agreement, your client was required to pay a civil penalty in the amount of \$13,500. The conciliation agreement provided for full payment within 90 days of the effective date of the agreement.

After attempting to contact you by telephone, on November 2, 2004, this Office sent you a letter via facsimile and certified mail regarding your client's failure to pay the civil penalty. Since that time, this Office has been in communication with your administrative assistant, Dee Evans. On November 12, 2004, Ms. Evans informed this Office that Ms. Beavers' divorce was finalized on November 4, 2004, and that Ms. Beavers' bank would be sending the Federal Election Commission a check for \$13,500 in the next seven to ten days.

According to Commission records, your client's payment has not been received. Please be advised that, pursuant to 2 U.S.C. § 437g(a)(5)(D), violation of any provision of the conciliation agreement may result in the institution of a civil suit for relief in the United States District Court. Unless we receive the payment from your client in five business days, this Office will recommend that the Commission file suit to remedy this violation.

If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Margaret J. Toalson

Margaret J. Toalson
Attorney

Attachment 2
Page 1 of 2

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MUR 4818 [redacted]

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY							
<p>1. Complete this form. Also complete return address if Restricted Delivery is desired.</p> <p>2. Write full name and address on the reverse of this card (in the space to 3).</p> <p>3. Attach this card to the back of the mailpiece.</p> <p>4. Put this card in the mailpiece.</p>		<p>Signature _____</p> <p>Printed Name _____ Date of Delivery _____</p> <p>Delivery address different from item? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>IF Yes, enter delivery address below _____</p>							
<p>John W. Cook, Jr. Cook, McCoy & Co. 111 N. Robinson St. E. Oklahoma City, OK 73102</p>		<p>Service Type</p> <table border="0"><tr><td><input type="checkbox"/> Certified Mail</td><td><input type="checkbox"/> Express Mail</td></tr><tr><td><input type="checkbox"/> Registered</td><td><input type="checkbox"/> Return Receipt for Merchandise</td></tr><tr><td><input type="checkbox"/> Insured Mail</td><td><input type="checkbox"/> C.O.D.</td></tr></table> <p>Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes <input type="checkbox"/> No</p>		<input type="checkbox"/> Certified Mail	<input type="checkbox"/> Express Mail	<input type="checkbox"/> Registered	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Insured Mail	<input type="checkbox"/> C.O.D.
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<p>PS Form 3811, February 2004</p>		<p>7002 3150 0006 5983 3259</p> <p>Domestic Return Receipt</p>							

Attachment 2
Page 2 of 2



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

JUN 30 2004

BY FACSIMILE (405-272-9859) AND FIRST CLASS MAIL

John W. Coyle, Esquire
Coyle McCoy & Burton
119 N. Robinson, Suite 320
Oklahoma City, OK 73102

RE: MUR 4818
Edith Susie Beavers

Dear Mr. Coyle:

On June 2, 2004, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please be advised that the civil penalty in this agreement is due ninety (90) days from the effective date of the agreement. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Margaret J. Toalson
Attorney

Enclosure
Conciliation Agreement

ATTACHMENT 3
Page 1 of 7

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Edith Susie Beavers

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MUR 4818

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission (the "Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Edith Susie Beavers ("Respondent") knowingly and willfully violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended (the "Act").

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i) and 11 C.F.R. § 111.18(d).
- II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- III. Respondent enters voluntarily into this agreement with the Commission.
- IV. The pertinent facts in this matter are as follows:

Actors

1. Walter L. Roberts was a candidate for Oklahoma's Third Congressional District in 1998. Roberts is also an artist and was the owner of an auction company ("Auction Company") located in McAlester, Oklahoma.

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2. Walt Roberts for Congress (the "Committee") was the political committee within the meaning of 2 U.S.C. § 431(4) for Roberts.
 3. The primary election for the Democratic nomination to represent Oklahoma's Third Congressional District, which Roberts ran in, occurred on August 25, 1998. Roberts received the most votes in the primary, but not enough to avoid a runoff election, held on September 15, 1998. The general election occurred on November 3, 1998.
 4. Gene Stipe was the founder of The Stipe Law Firm (the "Firm") located in McAlester, Oklahoma, where he was a senior partner until 2003. Gene Stipe was also an Oklahoma state senator representing a portion of Southeastern Oklahoma, and a friend to Roberts.
 5. Charlene Spears was an employee at the Firm and Gene Stipe's personal assistant. Spears was involved in the Roberts' campaign, making decisions on campaign purchases, instructing staff, and handling some of the campaign's banking.
 6. Paul Beavers is an acquaintance of Stipe and has transacted business with Stipe in the past. Edith "Susie" Beavers was Paul Beavers' wife, is an acquaintance of Stipe, and has transacted business with Stipe in the past. Joey Smith is Susie Beavers' youngest child. Jessie North is Susie Beavers' brother and Tina North is Susie Beavers' niece.

Applicable Law

7. The Act makes it unlawful for any person to contribute more than \$1,000 per election to any candidate and his authorized political committee for Federal

office. 2 U.S.C. § 441a(a)(1)(A).

8. It is also unlawful for any person to make a contribution in the name of another, or for any person to knowingly permit his or her name to be used to make such a contribution. Moreover, no person may knowingly help or assist any person in making a contribution in the name of another. 2 U.S.C. § 441f; 11 C.F.R. § 110.4(b)(1)(iii).

Factual Background

9. In February 1998, Gene Stipe asked Paul Beavers to funnel money to the Committee that Stipe would later provide. Stipe asked Paul Beavers to recruit persons that could be used as straw-contributors using his money to the Committee.
10. Paul Beavers told Stipe that he found persons who would contribute his money to the Committee in their names. Stipe then provided Paul Beavers with two checks for \$7,500 each from Stipe's account, dated October 10, 1998, and October 14, 1998, with instructions for the Beavers to use the money to reimburse themselves and others for contributions to the Committee. Paul Beavers then provided the checks to Susie Beavers, which she endorsed and deposited into their joint checking account.
11. Both Paul Beavers and Susie Beavers then approached Jesse North, Brenda Smith, Tina Hurst and Joey Smith and asked if they would make contributions to the Committee with money they would provide from Stipe. Each person agreed and made contributions to the Committee using money provided.

Respondent also admits that Paul Beavers and Susie Beavers made their contributions to the Committee with money provided to them by Stipe.

12. As a result, the Committee reported these contributions as from the straw contributor and not the actual contributor, Gene Stipe, as follows:

Straw Contributor	Conduit	Amount of Contribution	Date of Contribution	Date Report filed with FEC
Paul Beavers	Paul Beavers	\$250	3/11/98	4/15/98
Paul Beavers	Paul Beavers	\$750	3/26/98	4/15/98
Paul Beavers	Paul Beavers	\$1,000	10/22/98	12/3/98
Paul Beavers	Paul Beavers	\$1,250	10/22/98	12/3/98
Edith Beavers	Edith Beavers	\$250	3/11/98	4/15/98
Edith Beavers	Edith Beavers	\$750	10/22/98	12/3/98
Edith Beavers	Edith Beavers	\$1,000	10/22/98	12/3/98
Edith Beavers	Edith Beavers	\$1,000	10/22/98	12/3/98
Jesse North	The Beavers	\$1,000	10/26/98	12/3/98
Jesse North	The Beavers	\$1,000	10/26/98	12/3/98
Jesse North	The Beavers	\$1,000	10/26/98	12/3/98
Brenda Smith	The Beavers	\$1,000	10/22/98	12/3/98
Brenda Smith	The Beavers	\$1,000	10/22/98	12/3/98
Tina Hurst	The Beavers	\$1,000	10/31/98	12/3/98
Joey Smith	The Beavers	\$1,000	10/22/98	12/3/98
Joey Smith	The Beavers	\$1,000	10/22/98	12/3/98
Joey Smith	The Beavers	\$1,000	10/22/98	12/3/98

13. Respondent knew that her contributions and those of the other straw contributors were illegal when they made them and assisted others in the making of them.

Violations

V. Respondent Edith Susie Beavers knowingly and willfully violated 2 U.S.C. § 441f by assisting Gene Stipe in the making of excessive contributions to Walt Roberts for Congress in the names of others. Respondent will cease and desist from violating 2 U.S.C. § 441f.

Civil Penalty

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of Thirteen Thousand Five Hundred dollars (\$13,500.00), pursuant to 2 U.S.C.

§ 437g(a)(5)(B).

Other Provisions

VI. Respondent shall have no more than ninety days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement. Respondent contends that at the present time she is financially unable to pay the civil penalty stated above to the Commission. Due to ongoing proceedings in a non-FEC matter, Respondent intends to sell any assets necessary to pay the civil penalty to the Commission. The Commission understands that Respondent intends to file a motion with another court and to get authority from that court to sell these assets. Respondent shall keep the Commission fully informed of the status of all such proceedings. Respondent understands she must comply with and implement the requirements contained in this agreement notwithstanding the status of any such proceeding to sell Respondent's assets.

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or

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oral, made by either party or by agents of either party that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence H. Norton
General Counsel

BY:

Rhonda J. Vosdigh
Rhonda J. Vosdigh
Associate General Counsel
for Enforcement

Date

6/24/24

FOR THE RESPONDENT:

Edith Susie Beavers
Edith Susie Beavers

Date

2-23-04

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